

Owen County, Indiana
2007 Pay 2008 Budget Order

An analysis of the data with the 2007 Pay 2008 Budget Order for Owen County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Owen County has two cross-county units and is the minor county for both of them. Cloverdale Schools crosses in from Putnam County and the Clay-Owen-Vigo Solid Waste District crosses into Owen and Clay from Vigo, the major unit.

Owen has no conservancy districts.

Changes in Local Tax Levies

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net increase in tax levy for Pay 2008 on a county-wide basis was approximately \$2.1 million or 12.72%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar increases in levy were due to the Spencer-Owen Community School Corp (\$1,134,347), and the County unit (\$581,475).

Owen County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$1,591,118	\$1,758,972	\$167,854	10.55%
Children's Psychiatric Res Treatment	55,183	-0-	-55,183	-100.00%
Emergency Ambulance/Med Svcs	131,591	188,620	57,029	43.34%

Owen County Welfare

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Welfare - Family and Children	\$128,761	\$517,780	\$389,019	302.12%

Total County levy increased by \$581,475 or 21.67%. Existing cash balances used in Welfare F&C for 2007 to supplement levy. Levy increased in 2008 to cover budgeted expenses and services.

Morgan Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Emergency Fire Loan	\$-0-	\$4,915	\$4,915	-%

Total Township levy increased \$5,621 or 49.81%. New emergency fire loan approved for 2008.

Spencer Civil Town

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$501,594	\$519,420	\$17,826	3.55%
Spcl Fire Protection Territory	133,914	219,768	85,854	64.11%

Total Town levy increase of \$102,799 or 14.80%. Fire territory levy increase not subject to levy limits for 2008.

Spencer-Owen Community School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$3,678,938	\$4,150,123	\$471,185	12.81%
Debt Service	2,143,065	2,706,169	563,104	26.28%
Bus Replacement	46,824	26,763	-19,761	-42.47%

Total School levy increase of \$1,134,347 or 11.58%. Bus replacement reduced for pension neutralization in 2008. Debt service increased due to increased debt payments in 2008 for GO Bonds approved in 2007.

Spencer-Owen Public Library

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Lease Rental	\$144,326	\$169,388	\$25,062	17.36%
Library Capital Projects	50,231	93,940	43,709	87.02%

Total Library levy increase of \$99,473 or 19.45%.

Poland Fire Territory

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$32,530	\$38,044	\$5,514	16.95%

No units in the County exceeded the working maximum levy. All units in the County levied up to or near their working maximum levy.

No units in the County exceeded the normal statutory growth rate for controlled fund levies.

Changes in Real Property Gross Assessed Values

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	7.72%
Mineral	2.01%
Industrial	0.04%
Commercial	0.17%
Residential	2.52%
Exempt	-0.37%
Utility	32.27%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2007 Ratio</u>	<u>2008 Ratio</u>
Agriculture	37.51%	38.81%
Mineral	0.01%	0.01%
Industrial	1.62%	1.56%
Commercial	5.11%	4.91%
Residential	47.94%	47.20%
Exempt	7.69%	7.36%
Utility	0.11%	0.14%

As can be seen from the analysis, a shift from residential, industrial, commercial, and exempt property to agricultural and utility property occurred. This shift was approximately 1.34%.

Change in Net Tax Rates

Changes in net tax rate by district were as follows.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Levy</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
CLAY TOWNSHIP	1.98%	10.89%	8.74%	10.13%	11.27%	0.82%
FRANKLIN TWP	3.55%	12.63%	8.77%	10.17%	11.33%	0.75%
HARRISON TWP	10.88%	20.42%	8.61%	9.98%	11.20%	0.55%
JACKSON TWP	2.24%	5.90%	3.58%	11.93%	15.35%	11.03%
JEFFERSON TWP	10.97%	19.74%	7.90%	9.16%	10.39%	0.00%
JENNINGS TWP	6.83%	10.31%	3.26%	11.90%	15.82%	10.63%
LAFAYETTE TWP	4.11%	13.28%	8.81%	10.23%	11.39%	0.84%
MARION TOWNSHIP	9.30%	18.68%	8.59%	9.96%	11.16%	0.56%
MONTGOMERY TWP	4.69%	13.86%	8.75%	10.16%	11.33%	0.77%
MORGAN TWP	5.57%	15.45%	9.35%	10.85%	12.07%	1.63%
TAYLOR TOWNSHIP	9.17%	12.74%	3.27%	11.95%	15.92%	10.71%
WASHINGTON TWP	3.23%	12.92%	9.39%	10.83%	12.01%	2.06%
SPENCER TOWN	2.17%	10.74%	8.38%	9.40%	10.96%	-0.68%
WAYNE TOWNSHIP	7.41%	16.83%	8.78%	10.18%	11.37%	0.69%
GOSPORT TOWN	-1.52%	9.41%	11.09%	12.65%	14.01%	0.86%
Average	4.55%	12.72%	7.71%	10.66%	12.45	2.91%

Downward pressure on tax rates came from increases in Assessed Value due to trending and the increased Homestead Credit rate.

Upward pressure on tax rates came from increases in tax levies, especially those from the fire protection territories and increases in debt and Welfare.

Assessment Status

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Property Class	Percent of Parcels with Identified Assessed Valuation Change					
	<u>Decrease</u>	<u>No Change</u>	<u>0 - 10% Increase</u>	<u>10 - 30% Increase</u>	<u>30 - 100% Increase</u>	<u>More Than Doubled</u>
Commercial	52.7%	15.4%	26.6%	2.7%	2.1%	0.5%
Industrial	45.7%	15.2%	23.9%	8.7%	6.5%	0.0%
Residential	5.0%	18.3%	69.9%	3.5%	2.2%	1.0%
Overall	5.7%	18.5%	55.9%	14.1%	4.9%	0.9%